



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Sachi A. Hamai, Executive Officer-
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

At its meeting held December 5, 2006, the Board took the following action:

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The following item was called up for consideration:

Supervisors Burke and Molina's recommendation to direct the Chief Administrative Officer (CAO), Auditor-Controller, and the Affirmative Action Compliance Officer and the Director of Internal Services, working in concert with County Counsel, to immediately accomplish the following tasks consistent with the findings in the CAO's memo to the Board, dated November 16, 2006, regarding the County's Living Wage Ordinance; and to implement the following instructions prospectively for all new and renewed or extended Proposition A and cafeteria services contracts executed after January 1, 2007; and direct the CAO to report back with the status of implementing the changes within 180 days:

1. Adopt the proposed update to the rate structure for the Living Wage Ordinance, "Payment of Living Wage," increasing the living wage with healthcare benefits to \$9.64 per hour; and without healthcare benefits to \$11.84 per hour;
2. Adopt the CAO's proposed "housekeeping" amendments to the Living Wage Ordinance, "Findings", and "Enforcement and Remedies", as specified in the CAO's memo; and
3. Instruct the CAO, Director of Internal Services, Auditor-Controller and the Chief Information Officer to prepare a comprehensive plan, including costs and a timeline, for developing and implementing an automated solution to accurately track and project impacts associated with living wage contracts as specified in the CAO's memo; and
4. Instruct CAO, working in concert with County Counsel, to establish and implement an automatic annual review and increase of the Living Wage Ordinance rates, subject to advance notification to the Board no less than 60 days prior to implementation, utilizing the same methodology described in the CAO's memo.

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Supervisors Burke and Molina presented a revised recommendation Number 4 to read as follows: "Instruct the Chief Administrative Officer to conduct an annual review of the Living Wage Ordinance rates, and report back to the Board with any findings and recommendations for a rate increase subject to future board consideration and approval."

The following statement was entered into the record for Supervisors Burke and Molina:

"In April 1999, we successfully introduced a Board motion to establish the original Living Wage Ordinance for the County of Los Angeles. The impact of this policy on the lives of countless employees throughout the County has been extremely positive and the ordinance has been well received by businesses and labor unions alike. More recently, on September 26, 2006, Supervisor Burke again introduced a motion directing the CAO and several key departments to evaluate the outdated rate structure to the living wage. This latest motion was introduced because we firmly believe that the cost of living in Los Angeles has far surpassed the minimum rates required in our Living Wage Ordinance.

"On November 16, 2006, in response to the Board ordered request, the Chief Administrative Officer issued his findings and conclusions which clearly identify a need to increase the current Living Wage Ordinance rates from the figures adopted in 1999. Specifically, the Chief Administrative Officer's findings conclude that the hourly rate with healthcare insurance could increase from \$8.32 to \$9.64; and the hourly rate without healthcare insurance could increase from \$9.46 to \$11.84. Furthermore, the Chief Administrative Officers findings confirm several deficiencies in the current ordinance language as well as the inability of our automated systems to accurately track the Living Wage Program.

"In light of the Chief Administrative Officer's findings and the endless empirical data which demonstrates that the cost of housing and basic life necessities has skyrocketed in recent years, we believe it is time to revisit this issue and immediately adopt the findings and conclusions in the Chief Administrative Officer's Memo to this Board dated November 16, 2006."

Therefore, Supervisor Burke made a motion that the Board direct the Chief Administrative Officer, Auditor-Controller, Affirmative Action Compliance Officer and Director of Internal Services, working in concert with County Counsel, to immediately accomplish the following tasks consistent with the findings in the Chief Administrative Officer's memo to this Board dated November 16, 2006:

1. Adopt the proposed update to the rate structure for the Living Wage Ordinance, Los Angeles County Code § 2.201.040 "Payment of Living Wage", increasing the living wage with healthcare benefits to \$9.64 per hour; and without healthcare benefits to \$11.84 per hour;

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2. Adopt the Chief Administrative Officer's proposed "housekeeping" amendments to the Living Wage Ordinance, Los Angeles County Code § 2.201.010, "Findings"; and §2.201.080(B)(3), "Enforcement and Remedies", as specified on page 4 of the Chief Administrative Officer's memo dated November 16, 2006;
3. Instruct the Chief Administrative Officer, Director of Internal Services, Auditor-Controller and the Chief Information Officer to prepare a comprehensive plan, including costs and a timeline, for developing and implementing an automated solution to accurately track and project impacts associated with living wage contracts as specified on page 4 of the Chief Administrative Officer's memo to this Board dated November 16, 2006;
4. Instruct the Chief Administrative Officer to conduct an annual review of the Living Wage Ordinance rates and report back to the Board of Supervisors with any findings and recommendations for a rate increase subject to future Board consideration and approval;
5. Instruct the Chief Administrative Officer, Auditor-Controller, Director of Internal Services and Affirmative Action Compliance Officer, working in concert with County Counsel, to implement the aforementioned instructions prospectively for all new and renewed or extended Proposition A and cafeteria services contracts; and
6. Instruct the Chief Administrative Officer to report back to the Board within 180 days with the status of implementing these changes.

Supervisor Knabe made a suggestion that Supervisor Burke's motion be amended to instruct the Chief Administrative Officer to also report back on the costs incurred by the County over the last seven years since the Living Wage Ordinance has been in effect. Supervisor Burke accepted Supervisor Knabe's amendment.

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After discussion, Supervisor Burke's motion, as amended, seconded by Supervisor Molina, was duly carried by the following vote: Ayes: Supervisors Molina, Burke, Knabe and Yaroslavsky; Noes: Supervisor Antonovich.

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Attachment

Copies distributed:

- Each Supervisor
- Chief Administrative Officer
- County Counsel
- Auditor-Controller
- Affirmative Action Compliance Officer
- Director of Internal Services